# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

## SB 2115 - HB 2355

June 10, 2020

**SUMMARY OF ORIGINAL BILL:** Authorizes licensed manufacturers of distilled spirits to transfer and sell their products at other sites which are owned and licensed by the same manufacturer. Creates a civil penalty not to exceed \$10 per gallon of difference between what licensees records state they are transferring as opposed to what they actually transfer to their other sites.

FISCAL IMPACT OF ORIGINAL BILL:

#### **NOT SIGNIFICANT**

**SUMMARY OF AMENDMENT (018352):** Deletes and replaces language of the original bill to decrease, from five years to three years, the minimum amount of time any site transferring product must have held a manufacturers license.

#### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

#### Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- There are seven licensed manufacturers that have multiple locations.
- According to the Alcoholic Beverage Commission (ABC), all of these locations currently have licenses; therefore, no additional revenue would be generated by annual license fees or license applications.
- Because the establishments that would be affected are already licensed and assumed to be serving distilled spirits, it is estimated that there would be no additional increase in sales as a result of the proposed legislation.
- All record keeping of locations and gallons transported that may occur as a result of the proposed legislation is estimated to be absorbable within existing ABC department staff and resources.

# **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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